

Article - Real Property

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§14–104.

(a) In this section, “first-time Maryland home buyer” means an individual who has never owned in the State residential real property that has been the individual’s principal residence.

(b) Except as provided in subsection (c) of this section, in every written or oral agreement for the sale or other disposition of property, it is presumed in the absence of a contrary provision in the agreement or the law, that the parties to the agreement intended that the cost of any recordation tax or any State or local transfer tax shall be shared equally between the grantor and grantee. This section does not apply to mortgages or deeds of trust.

(c) (1) The entire amount of recordation tax and local transfer tax shall be paid by the seller of improved, residential real property that is sold to a first-time Maryland home buyer who will occupy the property as a principal residence, unless there is an express agreement between the parties to the agreement that the recordation tax and local transfer tax will not be paid entirely by the seller.

(2) The entire amount of State transfer tax shall be paid by the seller of improved, residential real property that is sold to a first-time Maryland home buyer who will occupy the property as a principal residence.

(3) This subsection does not apply to tax sales of property under Title 14, Subtitle 8 of the Tax - Property Article.

(4) If there are two or more grantees, this subsection does not apply unless each grantee is a first-time Maryland home buyer or a co-maker or guarantor of a purchase money mortgage or purchase money deed of trust as defined in § 12-108(i) of the Tax - Property Article for the property and the co-maker or guarantor will not occupy the residence as the co-maker’s or guarantor’s principal residence.

(5) Paragraphs (1) and (2) of this subsection apply only if each grantee or an agent of the grantee provides a statement that is signed under oath by the grantee or agent of the grantee stating that:

(i) 1. The grantee is a first-time Maryland home buyer as defined under subsection (a) of this section; and

2. The residence will be occupied by the grantee as the grantee's principal residence; or

(ii) 1. The grantee is a co-maker or guarantor of a purchase money mortgage or purchase money deed of trust as defined in § 12-108(i) of the Tax - Property Article for the property; and

2. The grantee will not occupy the residence as the co-maker's or guarantor's principal residence.

(6) A statement under paragraph (5) of this subsection by an agent of a grantee shall state that the statement:

(i) Is based on a diligent inquiry made by the agent with respect to the facts set forth in the statement; and

(ii) Is true to the best of the knowledge, information, and belief of the agent.

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